



Committed to the Future of Rural Communities



Committed to the future of rural communities.

FY 2008 Wisconsin Annual Report

Ed Schafer
Secretary of Agriculture



Thomas Dorr
Under Secretary for
USDA Rural Development



“For more than 70 years, USDA Rural Development’s mission has been to deliver a future that brings expanded economic opportunities and an improved quality of life for rural residents. As we enter a new fiscal year, USDA is being called upon to help the Nation develop renewable energy, decrease our reliance on foreign oil, and help create extraordinary opportunities for rural entrepreneurs.”

“Rural America is changing. USDA Rural Development is changing along with it to meet new challenges and opportunities. But one thing has not changed: the partnership between USDA Rural Development and millions of rural Americans. It is truly a privilege to serve rural America, and because of that partnership, we can meet the challenges of today with confidence in a better tomorrow.”

Vision:

A rural America that is a healthy, safe
and prosperous place in which to live and work.

Mission:

To increase economic opportunity and improve
the quality of life for all rural Americans.



Left: USDA Rural Development Wisconsin State Director Frank Frassetto (left), in conjunction with Matt Nikolay (right), Representative for Senator Russell Feingold, present a Certificate of Partnership to Village of Merrillan President, Ray Ransom.

Right: Flag Raising Ceremony at the grand opening of the new Fire and EMS Station in Oxford, Wisconsin.

The Rural Renaissance Continues –
Building Business through Superior Service.

Friends of Rural Development,

As you view USDA Rural Development's 2008 Annual Report and read of the significant accomplishments, you'll see that collective efforts resulted in a record-setting year of financial investment – over \$547 million – in rural Wisconsin, creating economic opportunity and enhancing the quality of life for literally thousands of rural residents. We have been referring to this collective effort, this synergy among our partner organizations, as a rural renaissance. The significance of this term is the simplicity of its meaning. The rural renaissance is the single-minded approach to recognizing external opportunities that promote the greatest growth while at the same time implementing strategies that streamline and maximize efficiencies of our organization.

This year's annual report illustrates the results of this renaissance leading to a record level of funding in our Guaranteed Business and Industry Loan Program and the Guaranteed Single and Multi-Family Housing Programs. We also led the country, again, in both the amount of funding and number of applications in the Value Added Producer Grant Program. What is not readily apparent in this report, but deserving of more than a mention, is the fact we saw a huge increase in the number of lenders and partner organizations using our guarantee products because of the risk reducing factors these programs offer and the lack of other competing products. The added pressure from outside influences and the increasing workload was manageable in large part because we had introduced new efficiencies in our organization in 2007, streamlining our statewide field operations and building our personnel capacity to deliver and service multiple programs rather than specialize in just one program area.

And so, the rural renaissance continues. So far this year, business continues to grow and is trending at levels almost threefold compared to last year. To address the demand for our programs, USDA Rural Development will not only commit to provide good service, but we will also strive to achieve superior service. USDA Rural Development remains committed to the future of rural communities. This coming year and beyond, we will continue to build business through superior service!

Sincerely,



Frank J. Frassetto
State Director



A year in review:

\$547 million investment in rural communities

2008 was a record year for USDA Rural Development. We've invested more than \$547 million into rural Wisconsin communities, while operating at 20% less capacity than in previous years.

1900 jobs

USDA Rural Development Programs helped to create or save almost 1900 jobs for Wisconsin residents.

Rural Business Programs

Our Rural Business Programs help to create and improve viable businesses and cooperatives in rural areas throughout Wisconsin. **Rural Business Programs** provide financial backing and technical assistance to stimulate business creation, expansion and/or relocation. Loan guarantees and grants are available to businesses, public bodies, non-profit organizations, farmers and cooperatives to finance business related activities that save or create jobs. The program works through partnerships with public and private community based organizations and financial institutions to provide financial assistance, business planning, and technical assistance to rural businesses. We also assist in conducting research of rural economic issues, including those affecting rural cooperatives. Working with private lenders throughout the state we are able to increase investment capital, helping communities and local organizations to build a strong business infrastructure to nurture economic growth.

To help keep farming in the rural way of life, we offer two inventive grant programs. The **Value-Added Producer Grant** and the **Rural Energy for America Programs** are helping to stimulate the farm economy and support farming innovation. Value-Added Producer Grants may be used for planning activities, for working capital to market value-added agricultural products, and for farm-based renewable energy. Rural Energy for America Program funding provides loan guarantees and grants to agricultural producers and rural small businesses for the purchase and installation of renewable energy systems or for energy efficiency improvements. These creative initiatives have helped strengthen the viability of small and mid-sized farms allowing agricultural producers to grow businesses around production practices that benefit the rural landscape in which they live.

Rural Housing Programs

Well built, affordable housing is essential to the vitality of rural communities. Our **Rural Housing Programs** give families and individuals the opportunity to buy, build, repair, or rent safe and affordable homes located in rural areas under 20,000 in population. Eligibility for these loans, loan guarantees and grants is based on family income and varies according to the average median income for each county. Financing is also available for the construction of apartments and other multi-family housing units in rural communities that lack sufficient, affordable rental housing, and provides subsidies serving low-income individuals, the elderly, and persons with disabilities.

Below: Caitlin Michels (left) and Amy Forbes (center) help a customer at Legacy Chocolates in downtown Menomonie. The company's products are produced at Oaklawn Harmony Centre as an incubator business.



\$46.9 million

Wisconsin had a record year in the Business and Industry Guaranteed Loan Program, funding more than \$46.9 million. This is our personal best!

17 grants \$3.1 million total

For the second year in a row, Wisconsin has led the nation in both number of grants awarded and dollars received in the Value-Added Producer Grant Program.

\$174.6 million in Homeownership Loans

This includes Wisconsin's Guaranteed Rural Housing Program, which had a record year by funding more than \$157 million in Homeownership Loans, breaking the previous \$105 million record.

Community Facility Programs

Essential community infrastructure is key to ensuring that rural areas enjoy the same basic quality of life services enjoyed by those in urban areas. The **Community Facility Programs** offer grants, direct loans and loan guarantees to develop or improve essential community services and facilities in rural areas. Public bodies and non-profit organizations can use the funds to construct, expand or improve facilities that provide health care, education, public safety and public services, including hospitals, clinics, senior care facilities, child care, fire and rescue stations, police stations, community centers, public buildings, vocational and medical rehabilitation centers, group homes, schools, cultural facilities, and public transportation. These facilities not only improve the basic quality of life, but also increase the competitiveness of rural communities in attracting and retaining businesses.

Rural Utility Programs

Planning for, developing, and maintaining a community's physical infrastructure is essential both for service to current residents and for future economic growth. In order for rural areas to succeed, citizens must have affordable access to safe drinking water, waste disposal systems, electricity, and telecommunication services. The **Rural Utility Programs** range from broadband access, electrical improvements and telecommunication needs, to our "Water and Waste" programs that help rural communities ensure the availability of safe drinking water and dependable waste disposal. Public entities and non-profit organizations can receive loans, loan guarantees, grants and technical assistance to build, repair, and improve these various public systems, which are essential to the quality of life and economic well-being of residents, in rural areas and towns with a population of 10,000 or less.

Left: An Excellence Award is presented to Landmark Company for managing their multi-family units in an outstanding fashion. Center: A six-month old boy watches his teacher in the pre-toddler room at the Tiny Tigers Intergenerational Center in Marshfield. The center is both a daycare for children and an adult day care with interaction amongst them. Right: New Spring Green Area Fire District Fire and EMS Station, constructed using funds through the Community Facilities Program.



Investing in the future

2008 Financial Report

Wisconsin FY2008 Total: \$547,116,855

Community Facilities

Guaranteed Loans	\$500,000
Grants	\$1,281,350
Direct Loans	\$11,649,950
Total	\$13,431,300

Rural Business Programs

Business & Industry Guaranteed Loans	\$46,930,071
Rural Business Enterprise Grants	\$3,877,616
Value Added Producer Grants	\$3,116,080
Rural Energy for America Program	\$4,887,154
Rural Community Development Initiative	\$428,005
Rural Business Opportunity Grants	\$249,669
Rural Community Development Grants	\$200,000
EZ/EC Northwoods NiiJii Enterprise Community	\$123,152
Total	\$59,811,747

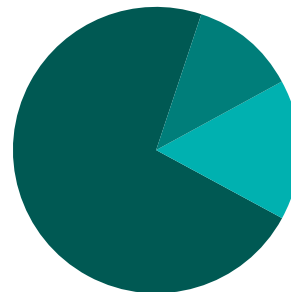
Rural Utility Programs

Water & Environmental Program	\$44,867,455
Electric Program	\$204,948,000
Telecommunication and Broadband Program	\$32,681,000
Total	\$282,496,455

Rural Housing Programs

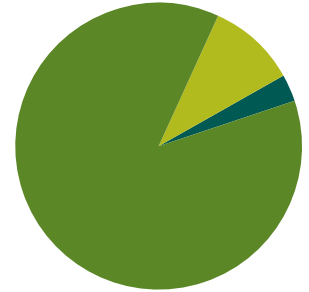
Direct Loans (502)	\$17,639,295
Home Repair Program (504)	\$1,192,188
Guaranteed Single Family Loans	\$157,052,792
Housing Preservation Grants	\$152,500
Multi-Family Housing Loans (515)	\$3,739,141
Farm Labor Housing Program (532)	\$0
Rental Assistance	\$7,479,450
MFH Preservation and Revitalization (MPR)	\$4,121,987
Total	\$191,377,353

2008 Rural Utilities Program Funding



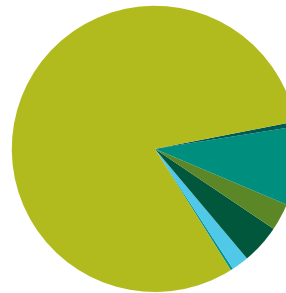
Water & Environmental Program -	\$44,867,455
Electric Program -	\$204,948,000
Telecommunication and Broadband Program -	\$32,681,000

2008 Community Facilities Program Funding



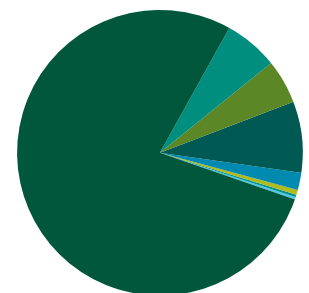
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Grants -	\$1,281,350
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2008 Rural Housing Program Funding



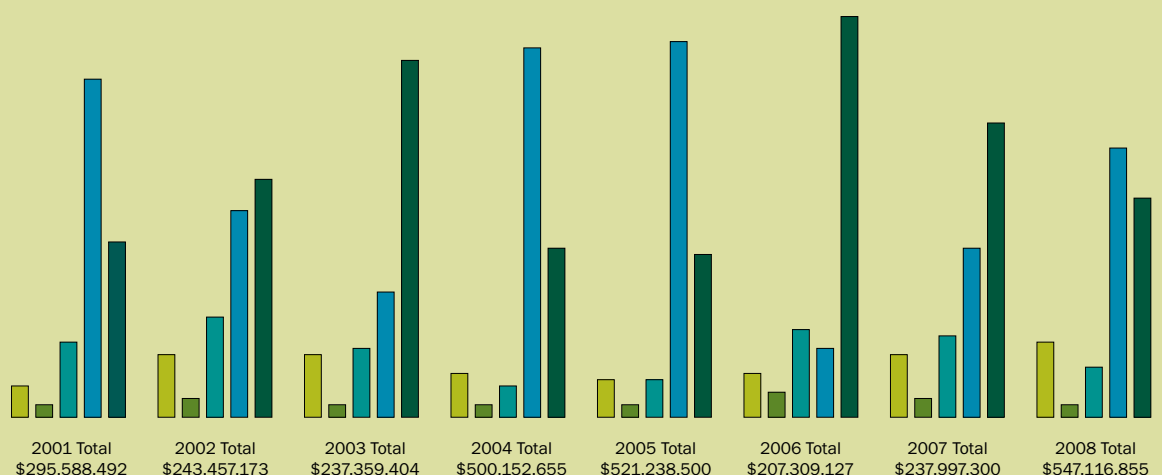
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2008 Rural Business Program Funding



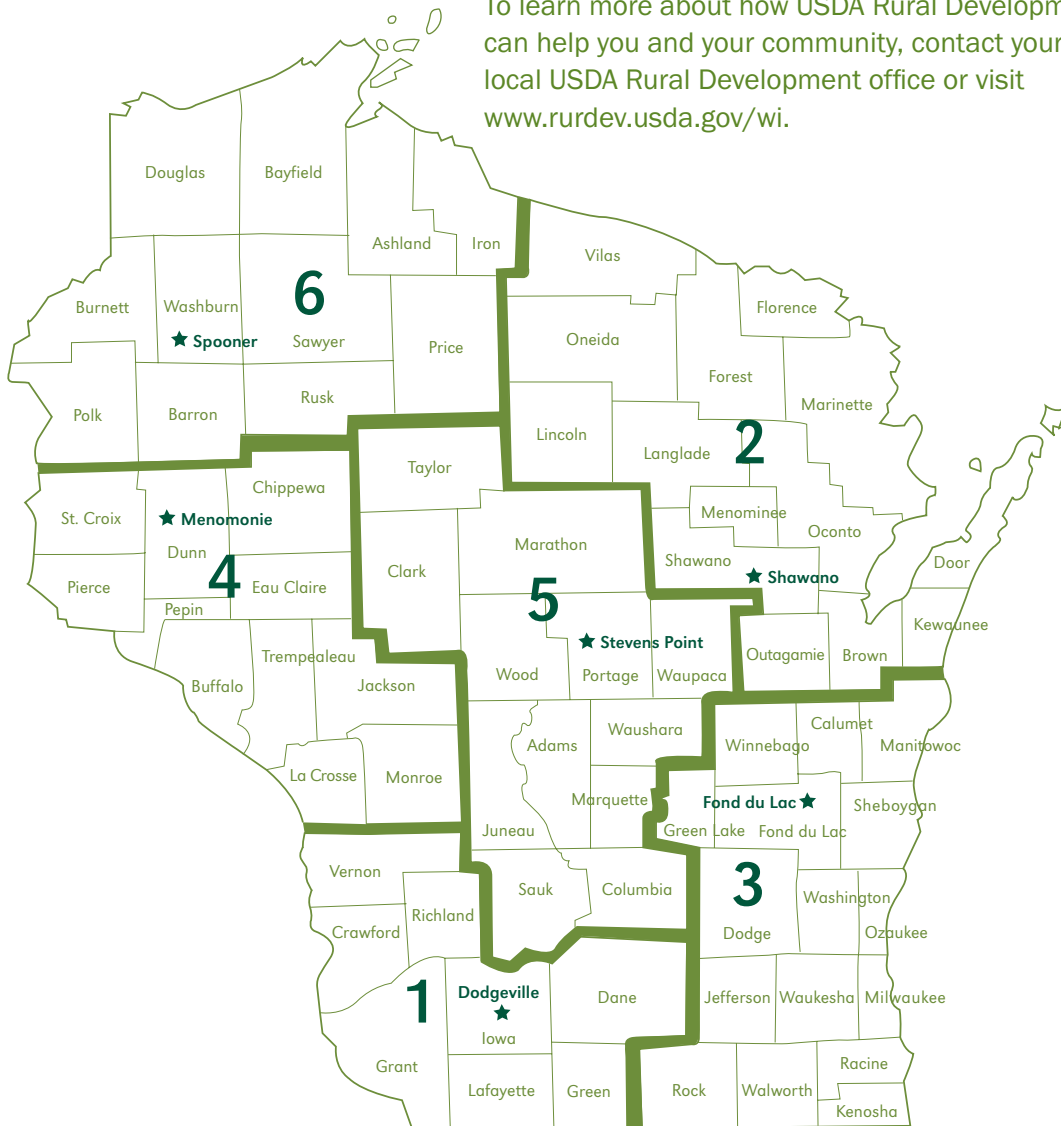
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Value Added Producer Grants -	\$3,116,080
Rural Energy for America Program -	\$4,887,154
Rural Community Development Initiative -	\$428,005
Rural Business Opportunity Grants -	\$249,669
Rural Community Development Grants -	\$200,000
EZ/EC Northwoods NiiJii Enterprise Community -	\$123,152

\$2.8 Billion Wisconsin 8-Year Grand Total (FY2001-FY2008)



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To learn more about how USDA Rural Development can help you and your community, contact your local USDA Rural Development office or visit www.rurdev.usda.gov/wi.



Left: Kim Crabb (center), USDA Rural Development Wisconsin Human Resources Manager, presents federal employment information to the first of two sessions at UW-Green Bay. Right: The USDA Rural Development Wisconsin State Director, representatives for Senator Kohl, Senator Feingold, and Congressman Kagen, officials from the US Department of Housing and Urban Development, Wisconsin Department of Health Services Secretary, Kevin Hayden, and Representatives from the Great Lakes Inter-tribal Council joined Lac du Flambeau Tribal Leaders and Council Members for the groundbreaking of the new Christen Peterson Health Center on the Lac Du Flambeau Reservation.



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Left: A completed house built under the "Mutual Self-Help Housing Program" sits in the sunset in Delavan. Center: USDA Rural Development Wisconsin State Director Frank Frassetto talks with the Town of Sherman president and a Town board member at the groundbreaking ceremony for construction of their new town hall and fire station. The Town received a Community Facility Loan for \$200,000 from USDA Rural Development. Right: Sonia Duran staples tar paper onto the plywood construction of a garage in Delavan. This house, along with seven others in Duran's group, are part of the U.S. Department of Agriculture Rural Development's "Mutual Self-Help Housing Program." The program, which is geared toward low- or very-low-income families, requires all participants to work 30 hours per week on their homes during construction, rather than paying a downpayment.

